

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

February 27, 2007

OK

TO: Internal File

THRU: Pamela Grubaugh-Littig, Permit Supervisor *PLH*
Wayne H. Western, Team Lead *WHW*

FROM: James D. Smith, Environmental Scientist I - Geology *JS 03/01/07*

RE: Permit Area Expansion – Addition of 40 Acres, Canyon Fuel Company, LLC.,
Dugout Canyon Mine, C/007/0039, Task ID #2743

SUMMARY:

The Division received the proposed amendment, a lease modification to increase the permit area by 40 acres, on January 26, 2007. This amendment adds 40 acres in the northeast corner of the Dugout Canyon Mine permit area. The expansion will allow eastward continuation of the 4th East longwall panel and help maximize coal recovery. The addition of 600 adjacent acres to the permit area is proceeding as a separate amendment.

Because of the thick overburden at the Dugout Mine, wide barriers must be left between the longwall panels. This controls and limits the location of the panels. The 4th East panel is situated such that, if extended, it will straddle the boundary between the 40 acres and the current permit area. Without this addition, the panel must stop at the west edge of the 40-acre parcel. Not only would the coal in the 40-acre addition be left, but also the adjacent mineable coal inside the current permit boundary. The 40-acre addition will allow eastward continuation of the 4th East panel, and coal recovery will be maximized.

Findings:

Maps, Plans, and Cross Sections of Resource Information are not sufficient to meet the requirements of the Coal Mining Rules. Before the Division can approve this amendment, the Permittee must provide the following in accordance with:

R645-301-622, Plates 6-4, 6-5, 6-6 (Confidential), and 6-7 (Confidential) must show the 40-acre addition is in the permit area.

OPERATION PLAN

COAL RECOVERY

Regulatory Reference: 30 CFR 817.59; R645-301-522.

Analysis:

Plate 5-7 shows the planned layout of the entries and longwall panels. Because of the depth below the surface in this area of the mine, wide barriers must be left between panels, which dictates panel spacing. The 40-acre addition will allow eastward continuation of the 4th East panel, not only into the 40-acre addition but also into the adjacent area just south of the addition. Coal recovery will be maximized. Without the 40-acre addition, recoverable coal will be left unmined. Coal Recovery information is discussed in Section 522 of Chapter 5 of the current MRP.

Findings:

Coal Recovery information on the 40-acre addition is sufficient to meet the requirements of the Coal Mining Rules.

RECOMMENDATION:

The Division should not approve the 40-acre addition to the Dugout Canyon Mine until the deficiencies described above have been adequately addressed.

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TECHNICAL ANALYSIS:

ENVIRONMENTAL RESOURCE INFORMATION

Regulatory Reference: Pub. L 95-87 Sections 507(b), 508(a), and 516(b); 30 CFR 783., et. al.

GEOLOGIC RESOURCE INFORMATION

Regulatory Reference: 30 CFR 784.22; R645-301-623, -301-724.

Analysis:

Geologic Resource information is in Chapter 6 of the MRP. This information covers the 40-acre addition and the adjacent area. No additional geologic resource information is required to meet the requirements of the Coal Mining Rules.

Findings:

The Permittee has met the requirements of this section of the Coal Mining Rules.

MAPS, PLANS, AND CROSS SECTIONS OF RESOURCE INFORMATION

Regulatory Reference: 30 CFR 783.24, 783.25; R645-301-323, -301-411, -301-521, -301-622, -301-722, -301-731.

Analysis:

Coal Resource and Geologic Information Maps

Plate 6-1, which shows the geology of the permit and adjacent area, includes the 40-acre addition in the permit boundary. Plates 6-4, 6-5, 6-6, and 6-7, which respectively show the Rock Canyon Seam overburden thickness, the Rock Canyon Seam/ Gilson Seam interburden thickness, the Rock Canyon Seam isopach thickness, and the Gilson Seam isopach thickness, have not been updated to show the 40-acre addition. Plates 6-2, 6-3, 6-3A, and 6-3B do not show the permit boundary so do not need to be updated.